

Washington, DC – Wednesday, Congressman Harry Teague applauded the enactment of the Wall Street Reform and Consumer Protection Act. The legislation, which reins in Wall Street, ends taxpayer bailouts of big banks, and creates a consumer financial protection bureau, was signed in to law by the President in a ceremony this morning. Harry Teague released this statement on the bill signing:

“For too long, Wall Street banks have been getting away with the abusive, predatory and risky practices that contributed to one of our nation’s worst economic crises and resulted in the big corporate banks turning to the American taxpayer for a bailout. Today marks an important step in ending that era of Wall Street bailouts and ensuring that honest, hardworking New Mexicans aren’t stuck with another bill resulting from reckless actions on Wall Street. Without penalizing small community banks and credit unions, this common sense legislation ensures that failing financial institutions don’t get deemed “too big to fail” and end up derailing our entire financial system.”

### **Bill Background:**

The Wall Street Reform and Consumer Protection Act will help prevent the risky financial practices that led to the financial meltdown and stop large financial firms from gambling with Americans’ retirement and college savings and home values. In addition, taxpayers will no longer pay the price for Wall Street’s irresponsibility. The bill creates a process to shut down large, failing financial institutions whose collapse would put the entire economy at risk. After exhausting a company’s assets, additional costs would be covered by a “dissolution fund” paid for by financial firms instead of American taxpayers.

The bill will also create the Consumer Financial Protection Bureau (CFPB), a new consumer watchdog devoted to protecting Americans from unfair and abusive financial practices. This independent bureau will provide clear and accurate information to families and small businesses

to ensure that bank loans, mortgages, and credit cards are fair and affordable. Just like the FDA does for medical safety, the CFPB will set safety standards to prevent practices such as hidden credit card fees, deceptive “fine print,” and other financial abuses that have escaped oversight for far too long.

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